

FISCAL IMPACT STATEMENT ON BILL NO. **S1006**

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TO:	The Honorable Hugh Leatherman, Chairman, Senate Finance Committee		
FROM:	Office of State Budget, Budget and Control Board		
ANALYSTS:	Allan Kincaid		
DATE:	January 29, 2008	SBD:	2008042

AUTHOR:	Senator Ritchie	PRIMARY CODE CITE:	23-1-235
SUBJECT:	Insurance Benefits for Law Enforcement Officers and Firefighters		

ESTIMATED FISCAL IMPACT ON GENERAL FUND EXPENDITURES:

A Cost to the General Fund (See Below)

ESTIMATED FISCAL IMPACT ON FEDERAL & OTHER FUND EXPENDITURES:

\$0 (No additional expenditures or savings are expected)

BILL SUMMARY:

The proposed Bill amends Chapter 1, Title 23 of the Code of Laws of South Carolina, 1976, by adding Section 23-1-235 so as to provide that a spouse or dependent of a law enforcement officer or firefighter killed in the line of duty may continue to receive health and dental benefits.

EXPLANATION OF IMPACT:

During calendar year 2007, there were approximately 15 state or local law enforcement officers or local firefighters killed in the line of duty. It is estimated to cover the full premium costs of the health and dental plans for the surviving spouses and/or dependents would cost the General Fund of the State approximately \$96,675 for the first twelve months (\$6,445 per family).

After the first year the State must continue to pay the amount of the premium the agency or political subdivision paid during the officer's employment (i.e. the employer's share) plus the total premium for any additional qualifying individuals killed in the line of duty. The employer's share is estimated at \$4,512 per family. Although the number of law enforcement officers and firefighters killed in the line of duty varies from year to year, for fiscal impact estimate purposes it is assumed an additional ten families would qualify for the premium coverage each year. Therefore, second year total cost to the General Fund of the State can be estimated at \$132,130. Assuming ten additional families qualify for premium coverage under this Bill each year the cost to the General Fund of the State would increase by \$45,120 annually. Based on the above, it is estimated the cost to the General Fund of the State during the tenth year would total approximately \$493,090

SPECIAL NOTES:

Due to the variety of health and dental plans available to local governments across the state, for fiscal impact statement purposes calculations are based on rates of the State Health Plan for an employee with children.

Approved by:



Harry Bell
Assistant Director, Office of State Budget